



**BILLING CODE: 3410-XY**

**DEPARTMENT OF AGRICULTURE**

**Rural Business-Cooperative Service**

Inviting Applications for Rural Cooperative Development Grants

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice of Solicitation for Applications.

**SUMMARY:** This Notice announces that the Rural Business-Cooperative Service (Agency) is accepting fiscal year (FY) 2019 applications for the Rural Cooperative Development Grant (RCDG) program. Enactment of a continuing resolution or an appropriations act may affect the availability or level of funding for the program. The Agency will publish the program funding level on the Rural Development website.

The purpose of this program is to provide financial assistance to improve the economic condition of rural areas through cooperative development. Eligible applicants include a non-profit corporation or an institution of higher education.

**DATES:** Completed applications must be submitted on paper or electronically according to the following deadlines:

Paper applications must be postmarked and mailed, shipped, or sent overnight no later than **INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER**). You may also hand carry your application to one of our field

offices, but it must be received by close of business on the deadline date. Late applications are not eligible for funding under this Notice and will not be evaluated.

Electronic applications must be received by **(INSERT DATE 55 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER)**, to be eligible for grant funding. Please review the Grants.gov Web site at [http://grants.gov/applicants/organization\\_registration.jsp](http://grants.gov/applicants/organization_registration.jsp). For instructions on the process of registering your organization as soon as possible to ensure you are able to meet the electronic application deadline. Late applications are not eligible for funding under this Notice and will not be evaluated.

**ADDRESSES:** You should contact a USDA Rural Development State Office (State Office) if you have questions. You are encouraged to contact your State Office well in advance of the application deadline to discuss your project and ask any questions about the application process. Contact information for State Offices can be found at <http://www.rd.usda.gov/contact-us/state-offices>.

Program guidance as well as application and matching funds templates may be obtained at <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>. If you want to submit an electronic application, follow the instructions for the RCDG funding announcement located at <http://www.grants.gov>. If you want to submit a paper application, send it to the State Office located in the State where you are headquartered. If you are headquartered in Washington, D.C. please contact the Grants Division, Cooperative Programs, Rural Business-Cooperative Service, at (202) 690-1374 for guidance on where to submit your application.

**FOR FURTHER INFORMATION CONTACT:** Grants Division, Cooperative Programs, Rural Business-Cooperative Service, United States Department of Agriculture, 1400 Independence Avenue, S.W., Mail Stop-3253, Room 4208-South, Washington, D.C. 20250-3253, (202) 690-1374.

## **SUPPLEMENTARY INFORMATION**

### *Preface*

The Agency encourages applications that will support recommendations made in the Rural Prosperity Task Force report to help improve life in rural America.

[www.usda.gov/ruralprosperity](http://www.usda.gov/ruralprosperity) Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships and innovation.

Key strategies include:

- Achieving e-Connectivity for rural America
- Developing the Rural Economy
- Harnessing Technological Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

### **Overview**

*Federal Agency:* Rural Business-Cooperative Service.

*Funding Opportunity Title:* Rural Cooperative Development Grants.

*Announcement Type:* Initial Notice.

*Catalog of Federal Domestic Assistance Number:* 10.771.

*Date:* Application Deadline. Paper applications must be postmarked, mailed, shipped, or sent overnight no later than **(INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER)**, or it will not be considered for funding. You may also hand carry your application to one of our field offices, but it must be received by close of business on the deadline date. Electronic applications must be received by <http://www.grants.gov> no later than midnight Eastern Time, **(INSERT DATE 55 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER)**, or it will not be considered for funding.

The Application Template provides specific, detailed instructions for each item of a complete application. The Agency emphasizes the importance of including every item and strongly encourages applicants to follow the instructions carefully, using the examples and illustrations in the Application Template. Prior to official submission of applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made prior to **(INSERT DATE 45 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER)**. Agency contact information can be found in Section D of this document.

The Agency will not solicit or consider new scoring or eligibility information that is submitted after the application deadline. The Agency reserves the right to contact applicants to seek clarification on materials contained in the submitted application. See the Application Template for a full discussion of each item. For requirements of completed grant applications, refer to Section D of this document.

#### **Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act, the paperwork burden associated with this Notice has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0006.

**A. Program Description**

The RCDG program is authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (CONACT) (7 U.S.C. 1932 (e)) as amended by the Agricultural Act of 2014 (Pub. L. 113-79). You are required to comply with the regulations for this program published at 7 CFR part 4284, subparts A and F, which are incorporated by reference in this Notice. Therefore, you should become familiar with these regulations. The primary objective of the RCDG program is to improve the economic condition of rural areas through cooperative development. Grants are awarded on a competitive basis. The maximum award amount per grant is \$200,000. Grants are available for non-profit corporations or higher education institutions only. Grant funds may be used to pay for up to 75 percent of the cost of establishing and operating centers for rural cooperative development. Grant funds may be used to pay for 95 percent of the cost of establishing and operating centers for rural cooperative development, when the applicant is a 1994 Institution as defined by 7 U.S.C. 301. The 1994 Institutions are commonly known as Tribal Land Grant Institutions. Centers may have the expertise on staff or they can contract out for the expertise, to assist individuals or entities in the startup, expansion or operational improvement of rural businesses, especially cooperative or mutually-owned businesses.

*Definitions*

The terms you need to understand are defined and published at 7 CFR 4284.3 and 7 CFR 4284.504. In addition, the terms “rural” and “rural area,” defined at section 343(a) (13) of the CONACT (7 U.S.C. 1991(a)), are incorporated by reference, and will be used for this program instead of those terms currently published at 7 CFR 4284.3. The term “you” referenced throughout this Notice should be understood to mean “you” the applicant. Finally, there has been some confusion on the Agency’s meaning of the terms “conflict of interest” and “mutually-owned business,” because they are not defined in the CONACT or in the regulations used for the program. Therefore, the terms are clarified and should be understood as follows.

*Conflict of interest* – A situation in which a person or entity has competing personal, professional, or financial interests that make it difficult for the person or business to act impartially. Regarding use of both grant and matching funds, Federal procurement standards prohibit transactions that involve a real or apparent conflict of interest for owners, employees, officers, agents, or their immediate family members having a financial or other interest in the outcome of the project; or that restrict open and free competition for unrestrained trade. Specifically, project funds may not be used for services or goods going to, or coming from, a person or entity with a real or apparent conflict of interest, including, but not limited to, owner(s) and their immediate family members. An example of conflict of interest occurs when the grantee’s employees, board of directors, or the immediate family of either, have the appearance of a professional or personal financial interest in the recipients receiving the benefits or services of the grant.

*Mutually-owned business* – An organization owned and governed by members who either are its consumers, producers, employees, or suppliers.

**B. Federal Award Information**

*Type of Award:* Competitive Grant.

*Fiscal Year Funds:* FY 2019.

*Total Funding:* \$5,800,000

*Maximum Award:* \$200,000.

*Anticipated Award Date:* September 30, 2019.

**C. Eligibility Information** Applicants must meet all of the following eligibility requirements. Applications which fail to meet any of these requirements by the application deadline will be deemed ineligible and will not be evaluated further.

1. Eligible Applicants

You must be a nonprofit corporation or an institution of higher education to apply for this program. Public bodies and individuals cannot apply for this program. See 7 CFR 4284.507. You must also meet the following requirements:

a. An applicant is ineligible if they have been debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension." The Agency will check the System for Award Management (SAM) to determine if the applicant has been debarred or suspended. In addition, an applicant will be considered ineligible for a grant due to an outstanding judgment obtained by the U.S. in a Federal Court (other than U.S. Tax Court), is delinquent on the payment of Federal income taxes, or is delinquent on Federal debt. See 7 CFR 4284.6. The applicant must certify as part of the application that they do not have an outstanding judgment against them. The Agency will check the Credit Alert Interactive Voice Response System (CAIVRS) to verify this.

b. Any corporation that has been convicted of a felony criminal violation under any Federal law within the past 24 months or that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, is not eligible for financial assistance provided with funds appropriated by the Consolidated Appropriations Act, 2018 (Pub. L. 115-141) or successor appropriations act, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. Applicants will be required to complete Form AD-3030, "Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants," if you are a corporation. Institutions of Higher Education are not required to submit this form.

c. Applications will be deemed ineligible if the application includes any funding restrictions identified under Section D.6. a and b. Inclusion of funding restrictions outlined in Section D.6. a. and b. preclude the Agency from making a federal award.

d. Applications will be deemed ineligible if the application is not complete in accordance with the requirements stated in Section C.3.e.

## 2. Cost Sharing or Matching

Your matching funds requirement is 25 percent of the total project cost (5 percent for 1994 Institutions). See 7 CFR 4284.508. When you calculate your matching funds



requirement, please round up or down to whole dollars as appropriate. An example of how to calculate your matching funds is as follows:

- a. Take the amount of grant funds you are requesting and divide it by .75.

This will give you your total project cost.

**Example:  $\$200,000$  (grant amount)  $\div$  .75 (percentage for use of grant funds) =  $\$266,667$  (total project cost)**

- b. Subtract the amount of grant funds you are requesting from your total project cost. This will give you your matching funds requirement.

**Example:  $\$266,667$  (total project cost) -  $\$200,000$  (grant amount) =  $\$66,667$  (matching funds requirement)**

- c. A quick way to double check that you have the correct amount of matching funds is to take your total project cost and multiply it by .25.

**Example:  $\$266,667$  (total project cost)  $\times$  .25 (maximum percentage of matching funds requirement) =  $\$66,667$  (matching funds requirement)**

You must verify that all matching funds are available during the grant period and provide this documentation with your application in accordance with requirements identified in Section D.2.e.8. If you are awarded a grant, additional verification documentation may be required to confirm the availability of matching funds.

Other rules for matching funds that you must follow are listed below.

- They must be spent on eligible expenses during the grant period.
- They must be from eligible sources.
- They must be spent in advance or as a pro-rata portion of grant funds

being spent.

- They must be provided by either the applicant or a third party in the form of cash or an in-kind contribution.
- They cannot include board/advisory council members' time.
- They cannot include other Federal grants unless provided by authorizing legislation.
- They cannot include cash or in-kind contributions donated outside the grant period.
- They cannot include over-valued, in-kind contributions.
- They cannot include any project costs that are ineligible under the RCDG program.
- They cannot include any project costs that are unallowable under the applicable grant "Cost Principles," including 2 CFR part 200, subpart E, and the Federal Acquisition Regulation (for-profits) or successor regulation.
- They can include loan funds from a Federal source.
- They can include travel and incidentals for board/advisory council members if you have established written policies explaining how these costs are normally reimbursed, including rates. You must include an explanation of this policy in your application or the contributions will not be considered as eligible matching funds.
- You must be able to document and verify the number of hours worked and the value associated with any in-kind contribution being used to meet a matching funds requirement.
- In-kind contributions provided by individuals, businesses, or cooperatives which are being assisted by you cannot be provided for the direct benefit of their own

projects as USDA Rural Development considers this to be a conflict of interest or the appearance of a conflict of interest.

### 3. Other Eligibility Requirements

#### a. Completeness

Your application will not be considered for funding if it fails to meet an eligibility criterion by time of application deadline and does not provide sufficient information to determine eligibility and scoring. You must include all of the forms and proposal elements as discussed in the regulation and as clarified further in this Notice. Incomplete applications will not be reviewed by the Agency. For more information on what is required for an application, see 7 CFR 4284.510.

#### b. Purpose Eligibility

Your application must propose the establishment or continuation of a cooperative development center concept. You must use project funds, including grant and matching funds for eligible purposes only (see 7 CFR 4284.508). In addition, project funds may be used for programs providing for the coordination of services and sharing of information among the centers (see 7 U.S.C 1932(e) (4) (C) (vi)).

#### c. Project Eligibility

All project activities must be for the benefit of a rural area.

#### d. Multiple Application Eligibility

Only one application can be submitted per applicant. If two applications are submitted (regardless of the applicant name) that include the same Executive Director and/or advisory boards or committees of an existing center, both applications will be determined not eligible for funding.

e. Grant Period

Your application must include no more than a one-year grant period, or it will not be considered for funding. The grant period should begin no earlier than October 1, 2019, and no later than January 1, 2020. Applications that request funds for a time period ending after December 31, 2020, will not be considered for funding. Projects must be completed within a one-year timeframe. Prior approval is needed from the Agency if you are awarded a grant and desire the grant period to begin earlier or later than previously discussed.

The Agency may approve requests to extend the grant period for up to an additional 12 months at its discretion. However, you may not have more than one active RCDG during the same grant period. Further guidance on grant period extensions will be provided in the award document.

f. Satisfactory Performance

You must be performing satisfactorily on any outstanding RCDG award to be considered eligible for a new award. Satisfactory performance includes being up-to-date on all financial and performance reports as prescribed in the grant award, and current on tasks and timeframes for utilizing grant and matching funds as approved in the work plan and budget. If you have any unspent grant funds on RCDG awards prior to fiscal year 2018, your application will not be considered for funding. If your fiscal year 2018 award has unspent funds of 50 percent or more than what your approved work plan and budget projected, at the time that your fiscal year 2019 application is being evaluated, your application will not be considered for funding. The Agency will verify the performance

status of FY 2018 awards and make a determination after the FY 2019 application period closes.

g. Duplication of Current Services

Your application must demonstrate that you are providing services to new customers or new services to current customers. If your work plan and budget is duplicative of your existing award, your application will not be considered for funding. If your workplan and budget is duplicative of a previous or existing RCDG and/or Socially Disadvantaged Groups Grant (SDGG) award, your application will not be considered for funding. The Agency will make this determination.

h. Indirect Costs

Your negotiated indirect cost rate approval does not need to be included in your application, but you will be required to provide it if a grant is awarded. Approval for indirect costs that are requested in an application without an approved indirect cost rate agreement is at the discretion of the Agency.

**D. Application and Submission Information**

1. Address to Request Application Package

For further information, you should contact your State Office at <http://www.rd.usda.gov/contact-us/state-offices>. Program materials may also be obtained at <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>. You may also obtain a copy by calling 202-690-1374.

2. Content and Form of Application Submission

You may submit your application in paper form or electronically through Grants.gov. If you submit in paper form, any forms requiring signatures must include an original signature.

a. Electronic Submission

To apply electronically, you must use the Grants.gov Web site at <http://www.Grants.gov>. You may not apply electronically in any way other than through Grants.gov.

You can locate the Grants.gov downloadable application package for this program by using a keyword, the program name, or the Catalog of Federal Domestic Assistance Number for this program.

When you enter the Grants.gov Web site, you will find information about applying electronically through the site, as well as the hours of operation.

To use Grants.gov, you must already have a DUNS number and you must also be registered and maintain registration in SAM. We strongly recommend that you do not wait until the application deadline date to begin the application process through Grants.gov.

You must submit all your application documents electronically through Grants.gov. Applications must include electronic signatures. Original signatures may be required if funds are awarded.

After electronically applying through Grants.gov, you will receive an automatic acknowledgement from Grants.gov that contains a Grants.gov tracking number.

b. Paper Submission

If you want to submit a paper application, send it to the State Office located in the State where your project will primarily take place. You can find State Office Contact information at: <http://www.rd.usda.gov/contact-us/state-offices>. An optional-use Agency application template is available online at <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>.

c. Supplemental Information

Your application must contain all the required forms and proposal elements described in 7 CFR 4284.510 and as otherwise clarified in this Notice. Specifically, your application must include: (1) the required forms as described in 7 CFR 4284.510(b) and (2) the required proposal elements as described in 7 CFR 4284.510(c). If your application is incomplete, it is ineligible to compete for funds. Applications lacking sufficient information to determine eligibility and scoring will be considered ineligible. Information submitted after the application deadline will not be accepted. You are encouraged, but not required to utilize the application template found at <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>.

d. Clarifications on Forms

- Standard Form (SF) 424 - Your DUNS number should be identified in the “Organizational DUNS” field on SF 424, “Application for Federal Assistance.” In addition, you should provide the DUNS number and the Commercial and Government Entity (CAGE) code and expiration date under the applicant eligibility discussion in your proposal narrative. If you do not include the CAGE code and expiration date and the DUNS number in your application, it will not be considered for funding.

- Form AD-3030, “Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants,” if you are a corporation. A corporation is any entity that has filed articles of incorporation in one of the 50 States, the District of Columbia, the Federated States of Micronesia, the Republic of Palau, and the Republic of the Marshall Islands, or the various territories of the United States including American Samoa, Guam, Midway Islands, the Commonwealth of the Northern Mariana Islands, Puerto Rico, or the U.S. Virgin Islands. Corporations include both for profit and non-profit entities. Institutions of Higher Education are not required to submit this form.

- You can voluntarily fill out and submit the “Survey on Ensuring Equal Opportunity for Applicants,” as part of your application if you are a nonprofit organization.

e. Clarifications on Proposal Elements

1. You must include the title of the project as well as any other relevant identifying information on the Title Page.

2. You must include a Table of Contents with page numbers for each component of the application to facilitate review.

3. Your Executive Summary must include the items in 7 CFR 4284.510(c) (3) and discuss the percentage of work that will be performed among organizational staff, consultants, or other contractors. It should not exceed two pages.

4. Your Eligibility Discussion must not exceed two pages and cover how you meet the eligibility requirements for applicant, matching funds, and other eligibility requirements.



5. Your Proposal Narrative must not exceed 40 pages using at least 11-point font and should describe the essential aspects of the project.

i. You are only required to have one title page for the proposal.

ii. If you list the evaluation criteria on the Table of Contents and specifically and individually address each criterion in narrative form, then it is not necessary for you to include an Information Sheet. Otherwise, the Information Sheet is required under 7 CFR 4284.510 (c) (5) (ii).

iii. You must include the following under Goals of the Project:

A. A statement that substantiates that the Center will effectively serve rural areas in the United States;

B. A statement that the primary objective of the Center will be to improve the economic condition of rural areas through cooperative development;

C. A description of the contributions that the proposed activities are likely to make to the improvement of the economic conditions of the rural areas for which the Center will provide services. Expected economic impacts should be tied to tasks included in the work plan and budget; and

D. A statement that the Center, in carrying out its activities, will seek, where appropriate, the advice, participation, expertise, and assistance of representatives of business, industry, educational institutions, the Federal government, and State and local governments.

iv. The Agency has established annual performance evaluation measures to evaluate the RCDG program. You must provide estimates on the following performance evaluation measures.

- Number of groups who are not legal entities assisted.
- Number of businesses that are not cooperatives assisted.
- Number of cooperatives assisted.
- Number of businesses incorporated that are not cooperatives.
- Number of cooperatives incorporated.
- Total number of jobs created as a result of assistance.
- Total number of jobs saved as a result of assistance.
- Number of jobs created for the Center as a result of RCDG funding.
- Number of jobs saved for the Center as a result of RCDG funding.

It is permissible to have a zero in a performance element. When you calculate jobs created, estimates should be based upon actual jobs to be created by your organization because of the RCDG funding or actual jobs to be created by cooperative businesses or other businesses as a result of assistance from your organization. When you calculate jobs saved, estimates should be based only on actual jobs that would have been lost if your organization did not receive RCDG funding or actual jobs that would have been lost without assistance from your organization.

v. You can also suggest additional performance elements for example where job creation or jobs saved may not be a relevant indicator (e.g. housing). These additional criteria should be specific, measurable performance elements that could be included in an award document.

vi. You must describe in the application how you will undertake to do each of the following. We would prefer if you described these undertakings within proposal

evaluation criteria to reduce duplication in your application. The specific proposal evaluation criterion where you should address each undertaking is noted below.

A. Take all practicable steps to develop continuing sources of financial support for the Center, particularly from sources in the private sector (should be presented under proposal evaluation criterion j., utilizing the specific requirements of Section E.1.j.);

B. Make arrangements for the Center's activities to be monitored and evaluated (should be addressed under proposal evaluation criterion number h. utilizing the specific requirements of Section E.1.h.); and

C. Provide an accounting for the money received by the grantee in accordance with 7 CFR part 4284, subpart F. This should be addressed under proposal evaluation criterion number a., utilizing the specific requirements of Section E.1.a.

vii. You should present the Work Plan and Budget proposal element under proposal evaluation criterion number h., utilizing the specific requirements of Section E.1.h. of this Notice to reduce duplication in your application.

viii. You should present the Delivery of Cooperative development assistance proposal element under proposal evaluation criterion number b., utilizing the specific requirements of Section E.1.b. of this Notice.

ix. You should present the Qualifications of Personnel proposal element under proposal evaluation criterion number i., utilizing the specific requirements of Section E.1.i. of this Notice.

x. You should present the Local Support and Future Support proposal elements under proposal evaluation criterion number j., utilizing the requirements of Section E.1.j. of this Notice.

xi. Your application will not be considered for funding if you do not address all the proposal evaluation criteria. See Section E.1. of this Notice for a description of the proposal evaluation criteria.

xii. Only appendices A-C will be considered when evaluating your application. You must not include resumes of staff or consultants in the application.

6. You must certify that there are no current outstanding Federal judgments against your property and that you will not use grant funds to pay for any judgment obtained by the United States. To satisfy the Certification requirement, you should include this statement in your application: “[INSERT NAME OF APPLICANT] certifies that the United States has not obtained an unsatisfied judgment against its property, is not delinquent on the payment of Federal income taxes, or any Federal debt, and will not use grant funds to pay any judgments obtained by the United States.” A separate signature is not required.

7. You must certify that matching funds will be available at the same time grant funds are anticipated to be spent and that expenditures of matching funds are pro-rated or spent in advance of grant funding, such that for every dollar of the total project cost, not less than the required amount of matching funds will be expended. Please note that this Certification is a separate requirement from the Verification of Matching Funds requirement. To satisfy the Certification requirement, you should include this statement in your application: “[INSERT NAME OF APPLICANT] certifies that matching funds

will be available at the same time grant funds are anticipated to be spent and that expenditures of matching funds shall be pro-rated or spent in advance of grant funding, such that for every dollar of the total project cost, at least 25 cents (5 cents for 1994 Institutions) of matching funds will be expended.” A separate signature is not required.

8. You must provide documentation in your application to verify all of your proposed matching funds. The documentation must be included in Appendix A of your application and will not count towards the 40-page limitation. Template letters are available for each type of matching funds contribution at <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>.

a. If matching funds are to be provided in cash, you must meet the following requirements:

- You: The application must include a statement verifying (1) the amount of the cash and (2) the source of the cash. You may also provide a bank statement dated 30 days or less from the application deadline date to verify your cash match.
- Third-party: The application must include a signed letter from the third party verifying (1) how much cash will be donated and (2) that it will be available corresponding to the proposed grant period or donated on a specific date within the grant period.

b. If matching funds are to be provided by an in-kind donation, you must meet the following requirements.

- You: The application must include a signed letter from you or your authorized representative verifying (1) the nature of the goods and/or services to be

donated and how they will be used, (2) when the goods and/or services will be donated (i.e., corresponding to the proposed grant period or to specific dates within the grant period), and (3) the value of the goods and/or services. Please note that most applicant contributions for the RCDG program are considered applicant cash match in accordance with this Notice. If you are unsure, please contact your State Office because identifying your matching funds improperly can affect your scoring.

- Third-Party: The application must include a signed letter from the third party verifying (1) the nature of the goods and/or services to be donated and how they will be used, (2) when the goods and/or services will be donated (i.e., corresponding to the proposed grant period or to specific dates within the grant period), and (3) the value of the goods and/or services.

To ensure that you are identifying and verifying your matching funds appropriately, please note the following:

- If you are paying for goods and/or services as part of the matching funds requirement, the expenditure is considered a cash match, and you must verify it as such. Universities must verify the goods and services they are providing to the project as a cash match and the verification must be approved by the appropriate approval official (i.e., sponsored programs office or equivalent).

- If you have already received cash from a third-party (i.e., Foundation) before the start of your proposed grant period, you must verify this as your own cash match and not as a third-party cash match. If you are receiving cash from a third-party during the grant period, then you must be verifying the cash as a third-party cash match.

- Board resolutions for a cash match must be approved at the time of application.
- You can only consider goods or services for which no expenditure is made as an in-kind contribution.
- If a non-profit or another organization contributes the services of affiliated volunteers, they must follow the third-party, in-kind donation verification requirement for each individual volunteer.
- Expected program income may not be used to fulfill your matching funds requirement at the time you submit your application. However, if you have a contract to provide services in place at the time you submit your application, you can verify the amount of the contract as a cash match.
- The valuation processes you use for in-kind contributions does not need to be included in your application, but you must be able to demonstrate how the valuation was derived if you are awarded a grant. The grant award may be withdrawn, or the amount of the grant reduced if you cannot demonstrate how the valuation was derived.

Successful applicants must comply with requirements identified in Section F, Federal Award Administration.

### 3. Dun and Bradstreet Data Universal Numbering System (DUNS) and System for Awards Management (SAM)

To be eligible (unless you are excepted under 2 CFR 25.110(b), (c) or (d), you are required to:

- (a) Provide a valid DUNS number in your application, which can be obtained at no cost via a toll-free request line at (866) 705-5711;

(b) Register in SAM before submitting your application. You may register in SAM at no cost at <https://www.sam.gov/portal/public/SAM/>. You must provide your SAM CAGE Code and expiration date or evidence that you have begun the SAM registration process at time of application, and

(c) Continue to maintain an active SAM registration with current information at all times during which you have an active Federal award or an application or plan under consideration by a Federal awarding agency.

If you have not fully complied with all applicable DUNS and SAM requirements, the Agency may determine that the applicant is not qualified to receive a Federal award and the Agency may use that determination as a basis for making an award to another applicant. Please refer to Section F.2. for additional submission requirements that apply to grantees selected for this program.

#### 4. Submission Dates and Times

Application Deadline Date: **(INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER).**

Explanation of Deadlines: Complete applications must be submitted on paper or electronically according to the following deadlines:

Paper applications must be postmarked and mailed, shipped, or sent overnight no later than **(INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER)**, to be eligible for grant funding. The Agency will determine whether your application is late based on the date shown on the postmark or shipping invoice. You may also hand carry your application to one of our field offices, but it must be received by close of business on the deadline date. If the due date falls on a Saturday,



Sunday, or Federal holiday, the reporting package is due the next business day. Late applications will automatically be deemed ineligible.

Electronic applications must be received by <http://www.grants.gov> no later than midnight Eastern Time, **(INSERT DATE 55 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER)**, to be eligible for grant funding.

Please review the Grants.gov website at

[http://grants.gov/applicants/organization\\_registration.jsp](http://grants.gov/applicants/organization_registration.jsp) for instructions on the process of registering your organization as soon as possible to ensure you can meet the electronic application deadline. Grants.gov will not accept applications submitted after the deadline.

#### 5. Intergovernmental Review of Applications

Executive Order (EO) 12372, “Intergovernmental Review of Federal Programs,” applies to this program. This E.O. requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many States have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the White House Web site:

<https://www.whitehouse.gov/wp-content/uploads/2017/11/SPOC-Feb.-2018.pdf>. If your State has a SPOC, you may submit a copy of the application directly for review. Any comments obtained through the SPOC must be provided to your State Office for consideration as part of your application. If your State has not established a SPOC, or if you do not want to submit a copy of the application, our State Offices will submit your application to the SPOC or other appropriate agency or agencies.

#### 6. Funding Restrictions

a. Project funds, including grant and matching funds, cannot be used for ineligible grant purposes (see 7 CFR 4284.10). Also, you shall not use project funds for the following:

- To purchase, rent, or install laboratory equipment or processing machinery;
- To pay for the operating costs of any entity receiving assistance from the Center;
- To pay costs of the project where a conflict of interest exists;
- To fund any activities prohibited by 2 CFR part 200; or
- To fund any activities considered unallowable by 2 CFR part 200, Subpart E, "Cost Principles," and the Federal Acquisition Regulation (for-profits) or successor regulations.

b. In addition, your application will not be considered for funding if it does any of the following:

- Focuses assistance on only one cooperative or mutually-owned business;
- Requests more than the maximum grant amount; or
- Proposes ineligible costs that equal more than 10 percent of total project costs. The ineligible costs will NOT be removed at this stage to proceed with application processing. For purposes of this determination, the grant amount requested plus the matching funds amount constitutes the total project costs.

We will consider your application for funding if it includes ineligible costs of 10 percent or less of total project costs, if the remaining costs are determined eligible

otherwise. However, if your application is successful, those ineligible costs must be removed and replaced with eligible costs before the Agency will make the grant award, or the amount of the grant award will be reduced accordingly. If we cannot determine the percentage of ineligible costs, your application will not be considered for funding.

## 7. Other Submission Requirements

a. You should not submit your application in more than one format. You must choose whether to submit your application in paper or electronically. Applications submitted on paper must be mailed or hand-delivered to the State Office located in the State where you are headquartered. You can find State Office contact information at: <http://www.rd.usda.gov/contact-us/state-offices>. To submit an application electronically, you must follow the instruction for this funding announcement at <http://www.grants.gov>. A password is not required to access the website.

### b. National Environmental Policy Act

All recipients under this Notice are subject to the requirements of 7 CFR part 1970. However, technical assistance awards under this Notice are classified as a Categorical Exclusion according to 7 CFR 1970.53(b), and usually do not require any additional documentation.

The Agency will review each grant application to determine its compliance with 7 CFR part 1970. The applicant may be asked to provide additional information or documentation to assist the Agency with this determination.

### c. Civil Rights Compliance Requirements

All grants made under this Notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR part 15, subpart A) and Section 504 of the Rehabilitation Act of 1973.

**E. Application Review Information**

The State Offices will review applications to determine if they are eligible for assistance based on requirements in 7 CFR part 4284, subparts A and F, this Notice, and other applicable Federal regulations. If determined eligible, your application will be scored by a panel of USDA employees in accordance with the point allocation specified in this Notice. Applications will be funded in rank order until the funding limitation has been reached. Applications that cannot be fully funded may be offered partial funding at the Agency's discretion.

**1. Scoring Criteria**

Scoring criteria will follow criteria published at 7 CFR 4284.513 as supplemented below including any amendments made by the Section 6013 of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-234), which is incorporated by reference in this Notice. The regulatory and statutory criteria are clarified and supplemented below. You should also include information as described in Section D.2.e.5.vi. if you choose to address these items under the scoring criteria. Evaluators will base scores only on the information provided or cross-referenced by page number in each individual evaluation criterion. The maximum amount of points available is 110. Newly established or proposed Centers that do not yet have a track record on which to evaluate the following criteria should refer to the expertise and track records of staff or consultants expected to

perform tasks related to the respective criteria. Proposed or newly established Centers must be organized well-enough at time of application to address its capabilities for meeting these criteria.

a. Administrative capabilities (maximum score of 10 points). A panel of USDA employees will evaluate your demonstrated track record in carrying out activities in support of development assistance to cooperatively and mutually owned businesses.

At a minimum, you must discuss the following administrative capabilities:

1. Financial systems and audit controls;
2. Personnel and program administration performance measures;
3. Clear written rules of governance; and
4. Experience administering Federal grant funding no later than the last 5 years, including but not limited to past RCDGs. Please list the name of the Federal grant program(s), the amount(s), and the date(s) of funding received.

You will score higher on this criterion if you can demonstrate that the Center has independent governance. For applicants that are universities or parent organizations, you should demonstrate that there is a separate board of directors for the Center.

b. Technical assistance and other services (maximum score of 10 points). A panel of USDA employees will evaluate your demonstrated expertise no later than the last 5 years in providing technical assistance and accomplishing effective outcomes in rural areas to promote and assist the development of cooperatively and mutually owned businesses. You must discuss at least:

1. Your potential for delivering effective technical assistance;
2. The types of assistance provided;

3. The expected effects of that assistance;
4. The sustainability of organizations receiving the assistance; and
5. The transferability of your cooperative development strategies and focus to other areas of the U.S.

A chart or table showing the outcomes of your demonstrated expertise based upon the performance elements listed in Section D.2.e.5.iv. or as identified in your award document on previous RCDG awards. At a minimum, please provide information for FY 2015 - FY 2017 awards. We prefer that you provide one chart or table separating out award years. The intention here is for you to provide actual performance numbers based upon award years (fiscal year) even though your grant period for the award was for the next calendar or fiscal year. Please provide a narrative explanation if you have not received an RCDG award.

You will score higher on this criterion if you provide more than 3 years of outcomes and can demonstrate that the organizations you assisted within the last 5 years are sustainable. Additional outcome information should be provided on RCDG grants awarded before FY 2015. Please describe specific project(s) when addressing 1-5 of this paragraph. To reduce duplication, descriptions of specific projects and their impacts, outcomes and roles can be discussed once under criterion b or c. However, you must cross-reference the information under the other criterion.

c. Economic development (maximum score of 10 points). A panel of USDA employees will evaluate your demonstrated ability to facilitate:

1. Establishment of cooperatives or mutually owned businesses;

2. New cooperative approaches (i.e., organizing cooperatives among underserved individuals or communities; an innovative market approach; a type of cooperative currently not in your service area; a new cooperative structure; novel ways to raise member equity or community capitalization; conversion of an existing business to cooperative ownership); and

3. Retention of businesses, generation of employment opportunities or other factors, as applicable, that will otherwise improve the economic conditions of rural areas.

You will score higher on this criterion if you provide economic measurements showing the impacts of your past development projects no later than 5 years old and identify your role in the economic development outcomes.

d. Past performance in establishing legal business entities (maximum score of 10 points). A panel of USDA employees will evaluate your demonstrated past performance in establishing legal cooperative business entities and other legal business entities during January 1, 2016 – December 31, 2018. Provide the name of the organization(s) established, the date of formation and your role in assisting with the incorporation(s) under this criterion. In addition, documentation verifying the establishment of legal business entities must be included in Appendix C of your application and will not count against the 40-page limit for the narrative. The documentation must include proof that organizational documents were filed with the Secretary of State's Office (i.e. Certificate of Incorporation or information from the State's official Web site naming the entity established and the date of establishment); or if the business entity is not required to register with the Secretary of State, a certification from the business entity that a legal business entity has been established and when.

Please note that you are not required to submit articles of incorporation to receive points under this criterion. You will score higher on this criterion if you have established legal cooperative businesses. If your State does not incorporate cooperative business entities, please describe how the established business entity operates like a cooperative.

e.       Networking and regional focus (maximum score of 10 points). A panel of USDA employees will evaluate your demonstrated commitment to:

1.       Networking with other cooperative development centers, and other organizations involved in rural economic development efforts, and
2.       Developing multi-organization and multi-State approaches to addressing the economic development and cooperative needs of rural areas.

You will score higher on this criterion if you can demonstrate the outcomes of your multi-organizational and multi-State approaches. Please describe the project(s), partners and the outcome(s) that resulted from the approach.

f.       Commitment (maximum score of 10 points). A panel of USDA employees will evaluate your commitment to providing technical assistance and other services to under-served and economically distressed areas in rural areas of the United States. You will score higher on this criterion if you define and describe the underserved and economically distressed areas within your service area, provide economic statistics, and identify past or current projects within or affecting these areas, as appropriate.

g.       Matching Funds (maximum score of 10 points). A panel of USDA employees will evaluate your commitment for the 25 percent (5 percent for 1994 Institutions) matching funds requirement. A chart or table should be provided to describe all matching funds being committed to the project. However, formal



documentation to verify all the matching funds must be included in Appendix A of your application. You will be scored on how you identify your matching funds.

1. If you met the 25 percent (5 percent for 1994 Institutions) matching requirement, points will be assigned as follows:

- In-kind only – 1 point,
- Mix of in-kind and cash – 3-4 points (maximum points will be awarded if the ratio of cash to in-kind is 30 percent and above of matching funds), or
- Cash only – 5 points.

2. If you exceeded the 25 percent (5 percent for 1994 Institutions) matching requirement, points will be assigned as follows:

- In-kind only – 2 points,
- Mix of in-kind and cash – 6-7 points (maximum points will be awarded if the ratio of cash to in-kind is 30 percent or more), or
- Cash only – up to 10 points.

h. Work Plan/Budget (maximum score of 10 points). A panel of USDA employees will evaluate your work plan for detailed actions and an accompanying timetable for implementing the proposal. The budget must present a breakdown of the estimated costs associated with cooperative and business development activities as well as the operation of the Center and allocate these costs to each of the tasks to be undertaken. Matching funds as well as grant funds must be accounted for in the budget.

You must discuss at a minimum:

1. Specific tasks (whether it be by type of service or specific project) to be completed using grant and matching funds;

2. How customers will be identified;
3. Key personnel; and
4. The evaluation methods to be used to determine the success of specific tasks and overall objectives of Center operations. Please provide qualitative methods of evaluation. For example, evaluation methods should go beyond quantitative measurements of completing surveys or number of evaluations.

You will score higher on this criterion if you present a clear, logical, realistic, and efficient work plan and budget.

i. Qualifications of those Performing the Tasks (maximum score of 10 points). A panel of USDA employees will evaluate your application to determine if the personnel expected to perform key tasks have a track record of:

1. Positive solutions for complex cooperative development and/or marketing problems; or
2. A successful record of conducting accurate feasibility studies, business plans, marketing analysis, or other activities relevant to your success as determined by the tasks identified in the work plan; and
3. Whether the personnel expected to perform the tasks are full/part-time employees of your organization or are contract personnel.

You will score higher on this criterion if you demonstrate commitment and availability of qualified personnel expected to perform the tasks.

j. Local and Future Support (maximum score of 10 points). A panel of USDA employees will evaluate your application for local and future support. Support should be discussed directly within the response to this criterion.

1. Discussion on local support should include previous and/or expected local support and plans for coordinating with other developmental organizations in the proposed service area or with state and local government institutions. You will score higher if you demonstrate strong support from potential beneficiaries and formal evidence of intent to coordinate with other developmental organizations. You may also submit a maximum of 10 letters of support or intent to coordinate with the application to verify your discussion. These letters should be included in Appendix B of your application and will not count against the 40-page limit for the narrative.

2. Discussion on future support will include your vision for funding operations in future years. You should document:

- (i) New and existing funding sources that support your goals;
- (ii) Alternative funding sources that reduce reliance on Federal, State, and local grants; and
- (iii) The use of in-house personnel for providing services versus contracting out for that expertise. Please discuss your strategy for building in-house technical assistance capacity.

You will score higher if you can demonstrate that your future support will result in long-term sustainability of the Center.

k. Administrator Discretionary Points (maximum of 10 points). The Administrator may choose to award up to 10 points to an eligible non-profit corporation or institution of higher education who has never previously been awarded an RCDG grant; and whose workplan and budget seeks to help rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships and

innovation. Eligible applicants who want to be considered for discretionary points must discuss how their workplan and budget supports one or more of the five following key strategies:

Achieving e-Connectivity for Rural America;

Improving Quality of Life;

Supporting a Rural Workforce;

Harnessing Technological Innovation; and

Economic Development

## 2. Review and Selection Process

The State Offices will review applications to determine if they are eligible for assistance based on requirements in 7 CFR part 4284, subparts A and F, this Notice, and other applicable Federal regulations. If determined eligible, your application will be scored by a panel of USDA employees in accordance with the point allocation specified in this Notice. The Administrator may choose to award up to 10 Administrator priority points based on criterion (k) in section E.1. of this Notice. These points will be added to the cumulative score for a total possible score of 110. Applications will be funded in highest ranking order until the funding limitation has been reached. Applications that cannot be fully funded may be offered partial funding at the Agency's discretion. If your application is evaluated, but not funded, it will not be carried forward into the next competition.

## **F. Federal Award Administration Information**

### 1. Federal Award Notices

If you are selected for funding, you will receive a signed notice of Federal award by postal mail from the State Office where your application was submitted, containing instructions on requirements necessary to proceed with execution and performance of the award.

If you are not selected for funding, you will be notified in writing via postal mail and informed of any review and appeal rights. You must comply with all applicable statutes, regulations, and notice requirements before the grant award will be approved. There will be no available funds for successful appellants once all FY 2019 funds are awarded and obligated. See 7 CFR part 11 for USDA National Appeals Division procedures.

## 2. Administrative and National Policy Requirements

Additional requirements that apply to grantees selected for this program can be found in 7 CFR part 4284, subpart F; the Grants and Agreements regulations of the Department of Agriculture codified in 2 CFR parts 180, 400, 415, 417, 418, 421; 2 CFR parts 25 and 170; and 48 CFR 31.2, and successor regulations to these parts.

In addition, all recipients of Federal financial assistance are required to report information about first-tier subawards and executive compensation (see 2 CFR part 170). You will be required to have the necessary processes and systems in place to comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) reporting requirements (see 2 CFR 170.200(b), unless you are exempt under 2 CFR 170.110(b)).

The following additional requirements apply to grantees selected for this program: Agency-approved Grant Agreement.

Letter of Conditions.

- Form RD 1940-1, "Request for Obligation of Funds."
- Form RD 1942-46, "Letter of Intent to Meet Conditions."
- Form AD-1047, "Certification Regarding Debarment, Suspension, and

Other Responsibility Matters-Primary Covered Transactions."

- Form AD-1048, "Certification Regarding Debarment, Suspension,

Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions."

- Form AD-1049, "Certification Regarding Drug-Free Workplace

Requirements (Grants)."

- Form RD 400-4, "Assurance Agreement."

- SF LLL, "Disclosure of Lobbying Activities," if applicable.

- Form AD-3031, "Assurance Regarding Felony Conviction or Tax

Delinquent Status for Corporate Applicants." Must be signed by corporate applicants

who receive an award under this Notice. Institutions of Higher Education do not need to submit this form.

### 3. Reporting

After grant approval and through grant completion, you will be required to provide the following:

- a. An SF-425, "Federal Financial Report," and a project performance report will be required on a semiannual basis (due 30 working days after end of the semiannual period). The project performance reports shall include the following: A comparison of actual accomplishments to the objectives established for that period;

- b. Reasons why established objectives were not met, if applicable;
- c. Reasons for any problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular objectives during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and
- d. Objectives and timetable established for the next reporting period.
- e. Provide a final project and financial status report within 60 days after the expiration or termination of the grant.
- f. Provide outcome project performance reports and final deliverables.

**G. Agency Contacts**

If you have questions about this Notice, please contact the appropriate State Office at <http://www.rd.usda.gov/contact-us/state-offices>. Program guidance as well as application and matching funds templates may be obtained at <http://www.rd.usda.gov/programs-services/rural-cooperative-development-grant-program>. If you want to submit an electronic application, follow the instructions for the RCDG funding announcement located at <http://www.grants.gov>. You may also contact National Office staff: Natalie Melton, RCDG Program Lead, [cpgrants@wdc.usda.gov](mailto:cpgrants@wdc.usda.gov) or call the main line at 202-690-1374.

**H. Nondiscrimination Statement**

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are

prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410;

(2) Fax: (202) 690-7442; or



(3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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Bette B. Brand,  
Administrator,  
Rural Business-Cooperative Service.  
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